

022COM011 – J – 24 – 3105



SECOND SEMESTER B.COM. (NEP) DEGREE
EXAMINATION, JULY/AUGUST 2024
COMMERCE
Financial Accounting – II (DSC – I)

Time : 2 Hours]

[Max. Marks : 60

- Instructions :** 1) Attempt **all** Sections according to internal choice.
2) **Use** of simple calculator is **allowed**.
3) Question No. **11** is **compulsory**.

SECTION – A

Answer **any five** of the following :

(5×2=10)

1. a) Who is insolvent ?
b) What is departmental accounting ?
c) Give any two objectives of branch accounting.
d) What is salvage value of stock ?
e) Write any two objectives of Accounting Standards.
f) What is deficiency account ?
g) Calculate Gross Profit Ratio.
Sales – ₹ 25,000/-
Profit – ₹ 10,000/-

SECTION – B

Answer **any four** of the following :

(4×5=20)

2. Sona Medical Stores of Hubli have a Branch at Navanagar from the following information, prepare Branch Account.

Stock on 1-1-2024	₹ 1,00,000/-
Goods sent to Branch	₹ 2,50,000/-
Cash sent to branch for the month	
Salary	₹ 91,000/-
Rent	₹ 60,000/-
Goods returned by Branch	₹ 10,000/-
Cash received from Branch	₹ 3,30,000/-
Stock on 31-1-2024	₹ 1,20,000/-

[P.T.O.]



3. Miss Sangeeta had been adjudged as insolvent on 31-12-2023. She provides the following information.

a) Capital on 1-1-2020	₹ 75,000/-
b) Net trading profit for first two years	₹ 20,000/-
c) Net trading losses for first two years	₹ 10,000/-
d) Private asset Rs. 95,000 and private liabilities	₹ 35,000/-
e) Speculation losses	₹ 1,45,000/-
f) Loss on realisation assets	₹ 45,000/-
g) Interest on capital per year	₹ 2,500/-

Prepare Deficiency Account (List H).

4. A fire occurred on the premises of Dharwad Stores on 31-3-2024 and considerable stock was destroyed. The following data is available from the books.

Stock on 1-4-2023	₹ 56,000/-
Purchase for the year	₹ 2,24,000/-
Sales for the year	₹ 2,40,000/-
Value of Salvaged stock	₹ 16,000/-

During the past 5 years, the average gross profit on sales was 25%.

Prepare a statement of insurance claim.

5. State how the following expenses are allocated to the different departments.

- Advertisement
- Carriage inward
- Bad debts
- Freight
- Salaries
- Labour welfare expenses
- Rent
- Insurance on goods
- Electricity charges
- Canteen expenses.

6. Name any five limitations of Accounting Standards.



SECTION – C

Question No. 11 is **compulsory**. Answer **any two** from the remaining. (10×3=30)

7. Mr. Dinesh has been adjudged as insolvent on 31 March 2024. His creditors are as follows.

	(Amt. in ₹)
Loan from wife (Streedhan)	22,500
Sundry creditors	37,500
Bank overdrafts	25,000
Bills payable	4,000
Liabilities on Bills discounted	8,500
Income tax	3,750
Municipal tax	3,000
Salary for two clerks for 4 months	8,000
Wages for two workers for 4 months	1,200
Rent due to landlord for 4 months	8,000

Find out amount due to unsecured creditors and preferential creditor under the Provision of Presidency Towns Insolvency Act, 1909.

8. Bharath Co. Ltd. invoiced goods to its Kumta branch at cost. The branch sells the goods on cash as well as credit. Following are the details.

	(Amt. ₹)
Stock on 1-1-2023	12,500
Stock on 31-12-2023	14,500
Debtors 1-1-2023	24,000
Debtors 31-12-2023	36,000
Goods supplied to Branch	50,000
Goods returned by branch	1,000
Petty cash 1-1-2023	300
Petty cash 31-12-2023	500
Cash remitted to Branch for :	
Rent	2,000
Salary	5,000
Petty cash	1,000
Cash sales	32,000
Cash received from customers	48,000
Discount allowed to customer	2,000
Bad debts	4,000

From the above information prepare Branch Account and Branch Debtors Account in the books of Head office.



9. The following particulars are taken from the Karwar Company Ltd. for the year 2024.

Particulars	Dept. A ₹	Dept. B ₹
Stock on 1-4-2023	30,000	26,000
Purchases	80,000	1,40,000
Sales	1,50,000	1,40,000
Stock on 31-3-2024	36,000	20,000
Wages	20,000	16,000
Common expenses :		
Salaries		₹ 20,000
Rent		₹ 8,000
Labour welfare expenses		₹ 10,000
Electricity		₹ 2,400
Inter departmental transfer of goods A to B		₹ 8,000

Other information :

- Area occupied by each department equally
- No. of light points A – 4, B – 2
- No. of employees A – 12, B – 8

Prepare Departmental Trading and Profit and Loss Account.

10. Name any ten Accounting Standards issued by ICAI.
11. On 30-6-2023 fire occurred in the premises of Unlucky Stores of Sirsi. The following information is available.

Stock on 31-12-2022	₹ 35,000
Stock on 01-01-2022	₹ 15,000
Purchases during the year 2022	₹ 80,000
Sales during the year 2022	₹ 1,20,000
Purchases from 1-1-2023 to 30-6-2023	₹ 65,000
Sales from 1-1-2023 to 30-6-2023	₹ 70,000
Value of salvaged stock	₹ 13,000
Stores have taken fire policy for	₹ 40,000

Answer the following :

- Prepare a statement of fire claim.
- State the objectives of Average clause of insurance company.